



Big Sky Economic Development Trust Fund (BSTF)

How to Apply for a
Category I: Economic
Development Job Creation
Grant

Goal

- To help you determine whether a project would be a good fit for BSTF funding
- To provide tips & tools to fill out a complete BSTF application

Program Overview

- State funded program

- ☐ Interest earnings off a portion of the coal tax permanent trust
- ☐ Amount of funding available at any one time fluctuates, check with program staff regarding current funding levels

- Designed to aid in the development of good paying jobs for Montana residents and promote long-term stable economic growth in Montana.

Big Sky Economic Development Trust Fund

Two types of funding available:

Category I: Economic Development Job Creation Grants –

- ☐ Deadline: open cycle, no deadline as long as funds available

Category II: Planning Grants

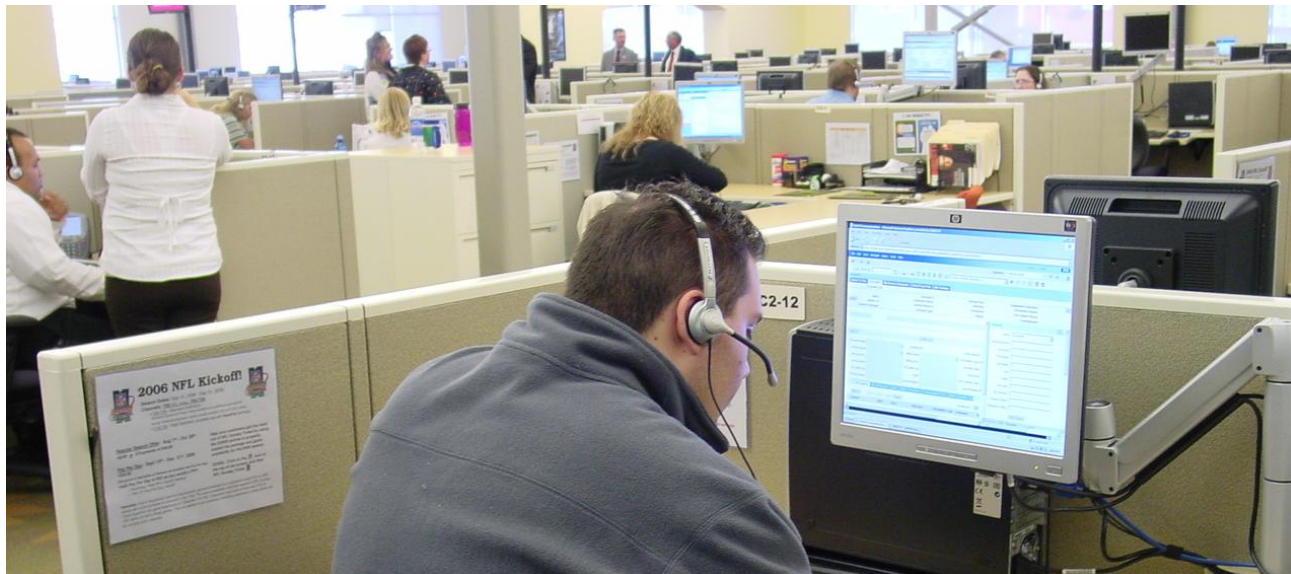
- ☐ Deadline: Quarterly – 12/31, 3/31, 6/30 & 9/30
- ☐ PG Webinar available on BSTF web site

Should I apply for a BSTF Category I: ED grant?



Is this project a good fit for a BSTF Category I: ED grant?

- Is the project going to create new eligible jobs?



Who is eligible to apply?

Where is the project located?



The eligible applicant will be the unit of local government with jurisdiction over the area the project is going to occur. This includes:

Who is eligible to apply? (Cont'd)

- An incorporated city or town
- County
- Consolidated government
- Tribal government
- Public district or local public entity with the authority to spend or receive public funds (i.e. airport authority or port authority)

Is the Business Eligible?

- Eligible Assisted Businesses include:
 - A basic sector company, or
 - Any other for-profit or non-profit business entities that:
 - Are engaged in business activities that will provide a significant positive economic impact to the community, region and/or the state beyond the job creation involved, and/or
 - Provide a service or function that is essential to the community, region and/or the state of Montana

Ineligible Businesses

- Hotels, motels, and retail operations will generally be considered ineligible for BSTF funding.
- Exceptions

Does the Project Create Eligible Jobs?

New Eligible Jobs must –

- Be a **net new** position created by the assisted business which employs an individual:
- At a minimum, an average of thirty-five (35) working hours per week on an annual basis
- The individual's hire date must be on or after the BSTF award date
- The position pays wages that meet or exceed the average county wage. Please note – this does not include benefits.

Does **not** include replacement positions, part-time positions, seasonal positions, or contractors.

Wage Rates

- <http://www.bstf.mt.gov/content/docs/MapandWageRates/2010WeeklyWageSheet090110.pdf>

**MONTANA DEPARTMENT OF COMMERCE
 BUSINESS RESOURCES DIVISION
 BIG SKY ECONOMIC DEVELOPMENT TRUST FUND
 PRIMARY SECTOR WORKFORCE TRAINING GRANT PROGRAM**

WEEKLY WAGE SHEET: EFFECTIVE SEPTEMBER 1, 2010

Montana Average Wage by County
 2009 Annual Average: All Industries

County	Annual Wage	Weekly Wage	Hourly Wage
BEAVERHEAD COUNTY	\$ 29,640	\$ 570	\$ 14.25
BIG HORN COUNTY	\$ 34,476	\$ 663	\$ 16.58
BLAINE COUNTY	\$ 31,824	\$ 612	\$ 15.30
BROADWATER COUNTY	\$ 28,392	\$ 546	\$ 13.65
CARBON COUNTY	\$ 26,104	\$ 502	\$ 12.55
CARTER COUNTY	\$ 21,580	\$ 415	\$ 10.38
CASCADE COUNTY	\$ 32,760	\$ 630	\$ 15.75
CHOUTEAU COUNTY	\$ 25,584	\$ 492	\$ 12.30
CUSTER COUNTY	\$ 29,120	\$ 560	\$ 14.00
DANIELS COUNTY	\$ 28,912	\$ 556	\$ 13.90
DAWSON COUNTY	\$ 30,420	\$ 585	\$ 14.63
DEER LODGE COUNTY	\$ 28,548	\$ 549	\$ 13.73
FALLON COUNTY	\$ 45,136	\$ 868	\$ 21.70
FERGUS COUNTY	\$ 29,172	\$ 561	\$ 14.03
FLATHEAD COUNTY	\$ 32,188	\$ 619	\$ 15.48
GALLATIN COUNTY	\$ 33,228	\$ 639	\$ 15.98
GARFIELD COUNTY	\$ 19,032	\$ 366	\$ 9.15
GLACIER COUNTY	\$ 32,240	\$ 620	\$ 15.50
GOLDEN VALLEY COUNTY	\$ 24,284	\$ 467	\$ 11.68
GRANITE COUNTY	\$ 25,376	\$ 488	\$ 12.20
HILL COUNTY	\$ 30,368	\$ 584	\$ 14.60
JEFFERSON COUNTY	\$ 31,824	\$ 612	\$ 15.30
JUDITH BASIN COUNTY	\$ 23,868	\$ 459	\$ 11.48
LAKE COUNTY	\$ 29,848	\$ 574	\$ 14.35

5 Things to Do Before You Fill Out an Application

- Develop a Business Plan
- Hiring Plan - Job Creation Projections
- Develop list of projects costs:
 - Construction, equipment, training, etc.
- Identify Use of BSTF Funds
- Identify Sources of Matching Funds

Business Plan

- A current Business Plan must be submitted as an attachment to the application. *For outline of items to be included, reference BSTF Category I Application Guidelines, Section IV, Part K*
- Category II: Planning Grant funding available to assist with business plan development –
Certified Regional Development Corporations, other eligible economic development organizations, and tribal governments involved in the project can apply for BSTF Category II funding to assist in the costs of developing a business plan. *See BSTF Category II: Planning Grant Application Guidelines for more information.*

Hiring (and Training) Plan

- 2 Year Job Creation Projections - Should include all jobs to be created and highlight or otherwise designate BSTF eligible jobs
- May use similar format to Appendix I: Job Creation Report
- Include timeline and narrative
- May use WTG* Hiring & Training Plan - Highlight/indicate which positions would meet BSTF eligibility criteria

*Primary Sector Workforce Training Grant Program (WTG)

List of Project Costs

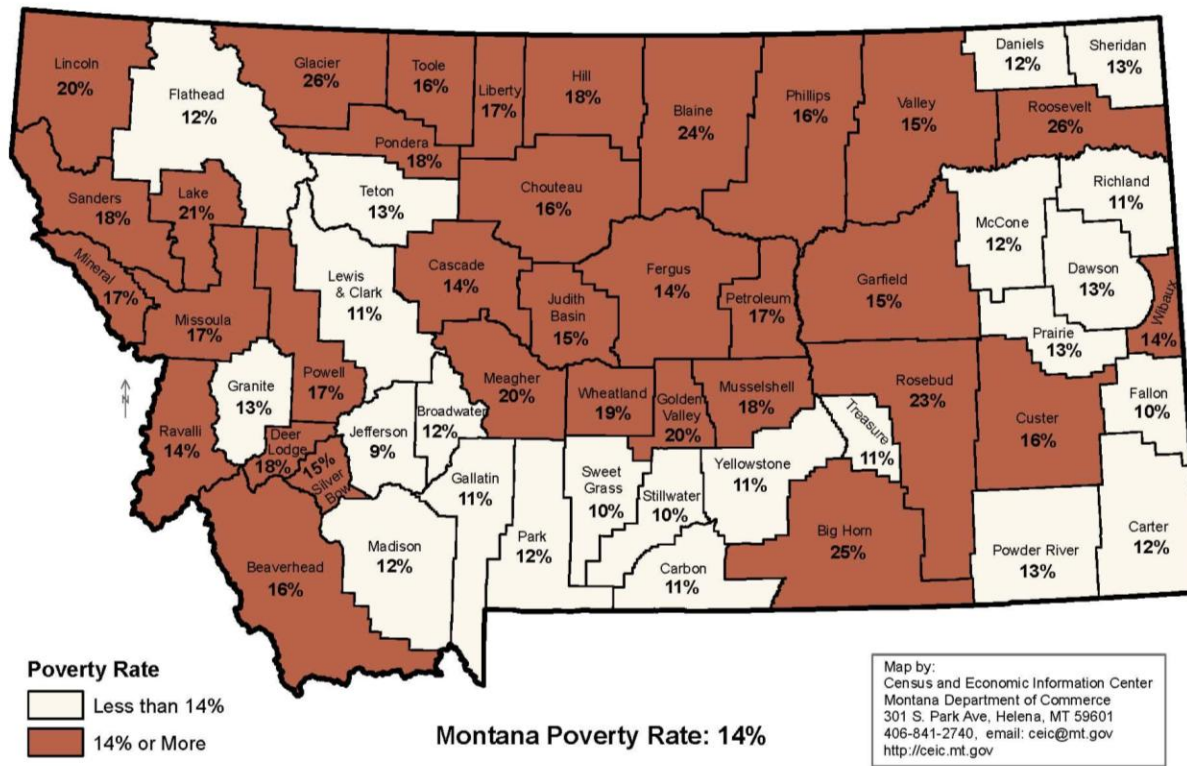
- Example: \$200,000 to update building
\$100,000 for equipment purchases
\$100,000 for training costs

Identify Use of BSTF Funds

- How much can I apply for?
- High Poverty County?

Is the Project in a Designated High Poverty County?

Poverty in Montana: 2008
 County Poverty Rates



- Yellow < 14%
 \$5,000 per job
- Red > 14%
 High Poverty Co.
 \$7,500 per job

How much can I apply for?

- If the project is located in a High Poverty County:

of BSTF eligible jobs x \$7,125 = Business Assistance

of BSTF eligible jobs x \$ 375 = Grant Admin.



Total = Maximum BSTF Grant

How much can I apply for? – cont'd

- If the project is NOT located in a High Poverty County:

of BSTF eligible jobs x \$4,750 = Business Assistance

of BSTF eligible jobs x \$ 250 = Grant Admin.



Total = Maximum BSTF Grant



Example

- Acme Corporation
- Fergus County – High Poverty County
- 10 new jobs over the next 2 years, 6 of which will be BSTF eligible

$6 \times \$7,125 = \$42,750$ for business assistance

$6 \times \$ 375 = \$ 2,250$ for grant admin.

Total = \$45,000 (Max BSTF Request)

What Uses of Funds Should I Apply For?

- **Purchases of Land, Building or Equipment** for the direct use of the assisted business
- **Lease rate reduction** for lease of public or privately owned real property for the direct use of the assisted business
- **Relocation Costs** incurred in connection with moving the assisted business's physical assets to Montana
- **Employee Training** – Check with WTG program first
- **Grant Administration** – not to exceed 5% of total award

Ineligible Uses of Funds

- The transfer or relocation of jobs from one part of the state to another part of the state
- Salary, wages or benefits of employees of the assisted business
- Expenses incurred before the award date

Acme Example



- Acme Corporation
- Fergus County – High Poverty County
- 10 jobs new jobs over the next 2 years, 6 of which will be BSTF eligible

$6 \times \$7,125 = \$42,750$ for business assistance

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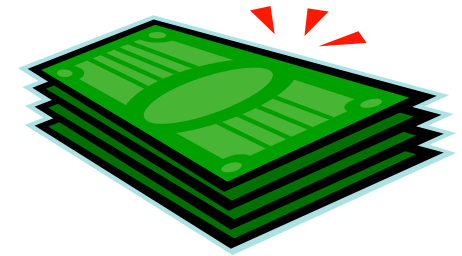
Use of BSTF Funds

- Example: \$200,000 to update building
 - \$100,000 for equipment purchases
 - \$100,000 for training costs*

Acme Corporation could request up to \$42,750 to offset these equipment costs on a reimbursement basis after the jobs have been created.

**Check with Primary Sector Workforce Training Grant Program (WTG) to determine if eligible for assistance with training costs*

Identifying Sources of Matching Funds



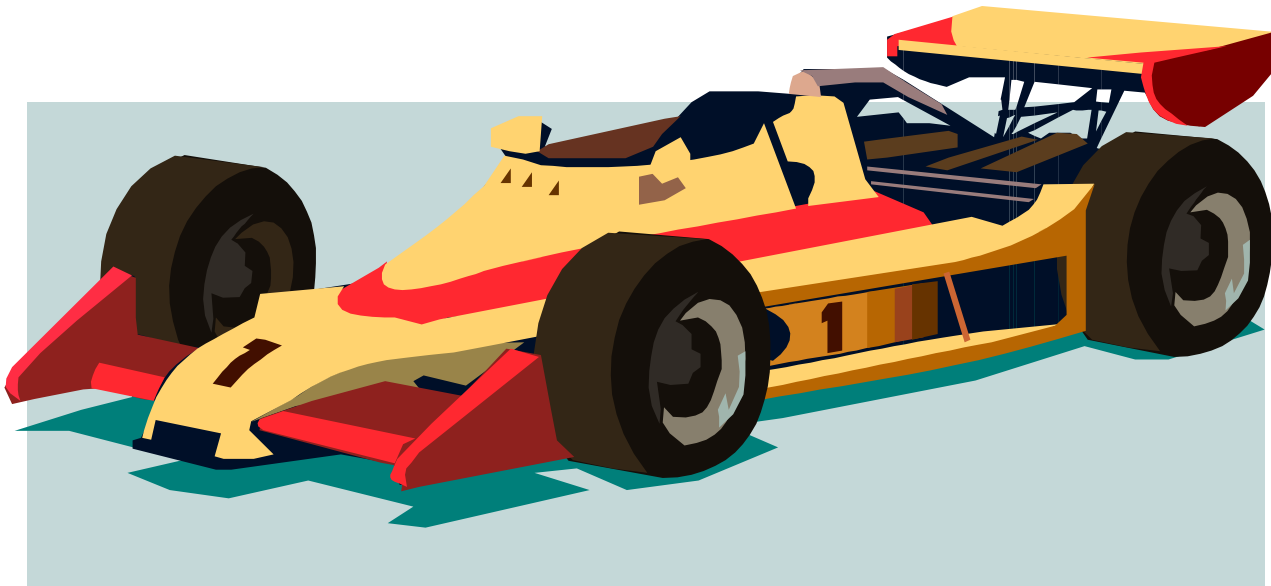
- \$1 for \$1 (100% match)
- \$1 for \$2 (50% match) – High Poverty Counties
 - Potential sources:
 - Private match from business entities
 - Montana Board of Investments (MBOI) Loan
 - Federal (SBA, IRP, USDA Loan Guarantee, etc)
 - State programs (CDBG-ED, WTG)

Matching Funds

- Example: \$200,000 to update building
\$100,000 for equipment purchases
\$100,000 for training costs

A bank loan for the building update and/or a line of credit for the equipment purchases would be good examples of eligible match.

READY?



Filling Out the Application

- BSTF Website: www.bstf.mt.gov

Montana Department of Commerce - Big Sky Trust Fund - Windows Internet Explorer

http://www.bstf.mt.gov/default.mcp

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Montana Department of Commerce - Big Sky Trust Fund

Page Safety Tools

mt.gov
 Montana's Official State Website

DEPARTMENT OF COMMERCE

Commerce Home Business Community Housing Tourism Finance Census Calendar Search

Documents & Links

2010 BSTF Application Guidelines

Appendices: (Forms)

Category I: Job Creation Projects

Category II: Planning Grants

Business Resources Division Homepage

Business Resources Division

Location
 301 S Park Ave
 Helena MT 59601

Mailing Address
 PO Box 200505
 Helena MT 59620-0505

Phone/FAX
 Phone: 406.841.2730
 Fax: 406.841.2731
 TDD: 406.841.2702

Big Sky Economic Development Trust Fund (BSTF)

Big Sky Economic Development Trust Fund (BSTF)

GRANTS FOR JOB CREATION AND PLANNING PROJECTS

[2010 BSTF Guidelines](#) | [High Poverty County Map](#) | [Wage Rates](#)

TRAINING OPPORTUNITY

****November 30, 2010 BSTF Category I: Job Creation Grant Application Workshop Webinar** from 1:30-4:30 p.m. in Room 228, 301 South Park Avenue, Helena, MT. [Click here](#) to register, space is limited.

Archived Training:

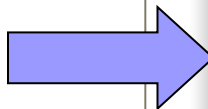
Presentation: BSTF and CDBG-ED Planning Grant Training

Accompanying Audio Presentation: BSTF and CDBG-ED Planning Grant Training

For BSTF and CDBG-ED Section Certification, please click here to take the quiz - <http://www.surveymonkey.com/s/R2FVDX7>

Program Summary

Click on type
 of funding
 you are
 interested in
 requesting



Montana Department of Commerce - Big Sky Trust Fund - Windows Internet Explorer

http://www.bstf.mt.gov/default.mcp

File Edit View Favorites Tools Help

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Favorites Suggested Sites Free Hotmail LAWS Current Session Hom... MINE -- Montana News MINE -- Time Entry Weather Underground He... Welcome to Montana Depar... Web Slice Gallery

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Documents & Links

2010 BSTF Application Guidelines

Appendices: (Forms)

Category I: Job Creation Projects

- A Job Creation Application
- B Subrecipient Agreement
- C Management Plan
- D Assistance Agreement
- E Confidentiality and Non-Disclosure Agreement
- F Sources and Uses of Funds
- G Credit Check Release
- H Budget Form
- I-1 Job Creation Report (Excel)
- I-2 Job Creation Report - For Training Grants Only (Excel)
- J Job Creation Certification
- K Request for Payment Form

Category II: Planning Grants

Business Resources Division Homepage

Business Resources Division

Big Sky Economic Development Trust Fund (BSTF)

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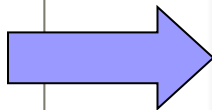
For BSTF and CDBG-ED Section Certification, please click here to take the quiz - <http://www.surveymonkey.com/s/R2FVDX7>

Program Summary

The Big Sky Economic Development Trust Fund (BSTF) program is a state-funded program created by the 2005 Legislature. It is designed to aid in the development of good paying jobs for Montana residents and promote long-term stable economic growth in Montana. The BSTF program is designed to provide financial assistance in the following two categories:

Category I: Economic Development Job Creation Projects 75% of

Corresponding forms will appear below type of funding



Appendix A: Application Form

APPENDIX A: APPLICATION FORM – ECONOMIC DEVELOPMENT PROJECTS

MONTANA DEPARTMENT OF COMMERCE BIG SKY ECONOMIC DEVELOPMENT TRUST FUND (BSTF) CATEGORY I: ECONOMIC DEVELOPMENT

This appendix should be the first item to appear in the application.

- See the *Application Guidelines* for a complete explanation of required application information.
- Requirements: *Submit 2 original copies (3-hole punched, including reference tabs and a table of contents, not spiral bound or double-sided) and 1 electronic copy of the application (CD or emailed)*

I. APPLICANT INFORMATION – LOCAL/TRIBAL GOVERNMENT

Name of Local/Tribal Government Entity	
Federal Tax ID Number	
Chief Elected Official (Full Name & Title)	
Contact Person (Full Name & Title)	
Address (Street, City and 9-Digit Zip Code)	
County	
Phone Number	
Email Address	
Fax Number	

II. ASSISTED BUSINESS INFORMATION

Legal Name of Business to Receive Assistance	
--	--

Appendix A first, before other application materials

Complete Full Address, City, ST & Zip

Appendix A: Application Form

I. APPLICANT INFORMATION – LOCAL/TRIBAL GOVERNMENT	
Name of Local/Tribal Government Entity	
Federal Tax ID Number	
Chief Elected Official (Full Name & Title)	
Contact Person (Full Name & Title)	
Address (Street, City and 9-Digit Zip Code)	
County	
Phone Number	
Email Address	
Fax Number	

II. ASSISTED BUSINESS INFORMATION	
Legal Name of Business to Receive Assistance	
Address of Project Location	
Full Legal Description of Project Location	
Contact Person (Full Name & Title)	
Address (Street, City and 9-Digit Zip Code)	
Phone Number	
Email Address	
Business NAICS or S.I.C. Code	
Business Federal EIN	
Business Project Status (Startup, Expansion, Relocation, etc.)	

III. PROJECT SUMMARY INFORMATION	
Total Project Cost	
Amount of BSTF Funds Requested	
Total Matching Funds (see Section I – definition of Match)	
Proposed Use of BSTF Funds: Eligible Activities Listed in Section II C. of Application Guidelines	

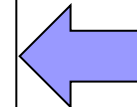
Section III.
 Proposed Use of BSTF
 Funds:
 Equipment Purchase,
 Lease rate reduction,
 etc.

Appendix A: Pg 2

V. BRIEF PROJECT SUMMARY	
<ul style="list-style-type: none"> Please provide a brief summary of this proposal which describes the nature of the proposed activity, the nature of the assisted business (if applicable) and What the BSTF financial assistance would be used for (ex: equipment purchase, lease rate reduction, etc.). Provide any relevant historical information on this project or the region it would support. 	
DO NOT STATE "SEE ATTACHED"	
Business's Current Employment Level in Montana	
Business's Current Employment Level at the Project Site	
Employee Benefits: Please list benefits and eligibility requirements provided by the assisted business	

VI. PROJECT ECONOMIC IMPACT STATEMENT
Please provide a summary of the impact the project would have on the state, regional and community economy as well as any services or functions that the business provides to the community, region or state.

Section V.
 Brief Project
 Summary-
 Executive
 Summary
 Do not state
 "see
 attached"



Filling out the Application (continued)

■ Brief Project Summary

- ☐ Should be brief, less than 1 page
- ☐ Should describe the nature of the request in the first 2 sentences, including who is applying, for how much, what activity and why
- ☐ Summary should go on to explain what the economic impact of the project is and the projected job creation information

Example – A good first sentence

Lincoln County and the Kootenai River Development Council are requesting \$75,000 to assist Acme Corporation with the purchase of manufacturing equipment in order to create 50 new jobs, 10 of which meet BSTF eligibility criteria.

Who

How much

What

Why

Table of Contents

■ Part of Appendix A: Application Form

■ Use as a checklist of required attachments

VII. TABLE OF CONTENTS	
<i>Please attach the following information to your application. See Section V of the Guidelines</i>	
Application Requirement:	Page Number/Tab
1. <u>Appendix A</u> : Application Form	___
2. <u>Appendix B</u> : Draft Sub-recipient Agreement (if applicable)	___
3. <u>Appendix C</u> : Draft Management Plan	___
4. <u>Appendix D</u> : Draft Business Assistance Agreement	___
5. <u>Appendix E</u> : Confidentiality Agreement and Affidavit (optional)	___
6. Business Plan (see Section V, part K for Business Plan elements)	___
Business Description	___
Sales Generated Outside of Montana	___
Management Resumes	___
Business Market	___
<u>Appendix F</u> : Sources and Uses of Funds Form	___
Matching Funds Summary(Narrative)	___
Financial Statements – 3 Most Recent Years of Operation	___
Balance Sheet	___
Profit and Loss Statement	___
Cash Flow Statement	___
Financial Projections – 2 years	___
Projected Balance Sheet	___
Projected Profit and Loss Statement	___
Projected Cash Flow	___
Debt Schedule	___
Working Capital Needs	___
Personal Financial Statements and Tax Returns (for owners with 20% or more ownership)	___
<u>Appendix G</u> : Personal Credit Check Release	___
Private and Public Sector Commitments for Funding	___
Big Sky Economic Development Trust Fund Program Montana Department of Commerce	Application Guidelines 26 2011 Category I – Economic Development

Signature/Certifications

VIII. CERTIFICATION BY LOCAL GOVERNMENT AND BUSINESS

As the responsible authorized agents of **Local or Tribal Government Applicant:** **Sub-recipient:** and **Applicant Business:**, we hereby submit this Big Sky Economic Development Trust Fund Application.

The information presented in this application is, to the best of our knowledge, true, complete and accurately represents the proposed project. We understand that additional information and documentation may be required. In addition, we understand that the local or tribal government applicant and the assisted business receiving BSTF financial assistance are liable for the full amount of the award that is advanced by the Department if the assisted business: fails to create or maintain the number of net new eligible jobs as specified in the executed contract and assistance agreement, fails to inject the required amount of match into the project as specified in the executed contract and assistance agreement, or ceases operations at the Project Site.

☐ The Applicant designates (Name and Phone number) as the authorized contact for any additional Department requests for the release of additional information regarding this application for BSTF funds.

Local or Tribal Government Applicant: will accept responsibility for management of the project and compliance with Big Sky Economic Development Trust Fund regulations.

Applicant Sub-recipient: will accept responsibility for compliance with applicable Big Sky Economic Development Trust Fund regulations as specified in this application.

Applicant Business: will accept responsibility for compliance with applicable Big Sky Economic Development Trust Fund regulations as specified in this application.

- ☐ Don't forget to fill in these 6 fields - insert the names of the appropriate organizations

Signature/Certifications continued

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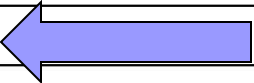
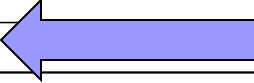
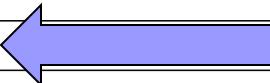
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Applicant Sub-recipient: will accept responsibility for compliance with applicable Big Sky Economic Development Trust Fund regulations as specified in this application.

Applicant Business: will accept responsibility for compliance with applicable Big Sky Economic Development Trust Fund regulations as specified in this application.

Authorized contact
 person to provide
 clarifications /
 additional
 information after
 application
 submission

Signature/Certifications Continued

Economic Development Trust Fund regulations as specified in this application.	
Applicant Business: will accept responsibility for compliance with applicable Big Sky Economic Development Trust Fund regulations as specified in this application.	
Name (typed): _____ Title (typed): _____ Signature: _____ Date: _____	 Local or Tribal Government Chief Elected Official
Name (typed): _____ Title (typed): _____ Signature: _____ Date: _____	 Sub-recipient (if applicable) Authorized Representative
Name (typed): _____ Title (typed): _____ Signature: _____ Date: _____	 Applicant Business Authorized Representative

Type in full name &
 title of each
 authorized person
 that will sign
 certification page

Application Attachments

Draft Sub-recipient Agreement

- For projects being managed by entity other than the local government
 - Example: Local Economic Development Organization
- Should detail breakdown of proposed grant administration funds request
 - 5% or less of total BSTF request
- For a sample - see Appendix B

Draft Management Plan

- Identifies key players in the project as well as their responsibilities
- Tips:
 - Insert actual names & titles – Ex. Jane Doe, City Clerk, instead of just City Clerk
 - If this information is not available, include explanation with draft plan (*Example – position is currently vacant due to turnover in staff, and name and phone number will be submitted to the Dept. once it is filled*)
- For a sample - see Appendix C

Draft Assistance Agreement

- Contract between the local or tribal government applicant and the assisted business.
- Describes responsibilities of the assisted business including a commitment to job creation and matching funds consistent with those described in the BSTF grant application
- For a sample - see Appendix D

Draft Assistance Agreement

Tips

- Use of funds listed on this document is consistent with what is listed on page 1 of
- Appendix A: Application Form
- Do not enter total BSTF request, just amount of funds that should go to the assisted business
- Do not include grant administration

Confidentiality Agreement

- BSTF grant applications and supporting documents are considered public information once submitted to the Department, pursuant to Article II, Section 9 of the Montana Constitution.
- The company may request to enter into a confidentiality agreement with the Department
- It is recommended that the local/tribal government applicant discuss confidentiality issues and whether to submit a confidentiality agreement prior to the submittal of any potentially confidential information

Confidentiality Agreement

- Appendix E – This agreement may be used to address confidential documents submitted with WTG, CDBG-ED and BSTF applications
- All documents considered confidential must be identified and clearly described in the [notarized affidavit](#) so that there is a clear understanding of the rights and obligations of the company relative to protection of sensitive information in Montana

Business Plan

- Insert business plan prepared at the beginning of the process into BSTF application



Appendix F:

Sources & Uses of Funds

- Identifies all parties providing funding for the project
 - Not just the required \$1:\$1 or \$1:\$2 (50%) matching funds
- Demonstrates the overall viability of the project
- Tips: Be specific, comprehensive & accurate

Appendix F:

Sources & Uses of Funds – Pg1

APPENDIX F: SOURCES AND USES OF FUNDS

PART I - SOURCES OF FUNDS STATEMENT								NOTE: TOTAL SOURCES OF FUNDS MUST EQUAL TOTAL USES OF FUNDS!																	
<ul style="list-style-type: none"> Please list sources of funding for the project. List both the funding source and the agency that administers the fund, if applicable. Include financing (loans and loan guarantees), grants, donations, and equity. Attach letters of commitment. Identify each source by DESCRIPTION CODE using the codes listed below. Indicate in the COMMITMENT STATUS column whether (P) - Proposed, (R) - Requested, or (A) - Approved (Include commitment/approval documentation) 																									
LIST ALL SOURCES OF PROJECT FUNDING																									
SOURCE ↓	AMOUNT (PRINCIPAL \$)	DESCRIP- TION CODE	COMMIT- MENT STATUS	RATE (%)	LOAN TERM (YRS)	AMORTI- ZATION PERIOD (YEARS)	ANNUAL DEBT SERVICE	COLLATERAL																	
								TYPE	VALUE	POSITION															
1.a. BSTF ADMIN																									
1.b. BSTF ACTIVITY																									
2.																									
3.																									
4.																									
5.																									
6.																									
DESCRIPTION CODES																									
<table border="0"> <tr> <td>1. Conventional Bank Loan</td> <td>6. USDA IRP Program</td> <td>11. SBA 7A</td> </tr> <tr> <td>2. Equity</td> <td>7. MBOI-Purchase of Federal Guaranteed Loan</td> <td>12. SBA 504</td> </tr> <tr> <td>3. USDA RD B&I Guarantee Loan</td> <td>8. MBOI-Linked Deposit</td> <td>13. Growth thru Agriculture</td> </tr> <tr> <td>4. USDA RD Direct Loan Program</td> <td>9. MBOI-Business Loan Participation</td> <td>14. Local RLF</td> </tr> <tr> <td>5. USDA RD REDL&G Program</td> <td>10. EDA</td> <td>15. Other (specify) _____</td> </tr> </table>											1. Conventional Bank Loan	6. USDA IRP Program	11. SBA 7A	2. Equity	7. MBOI-Purchase of Federal Guaranteed Loan	12. SBA 504	3. USDA RD B&I Guarantee Loan	8. MBOI-Linked Deposit	13. Growth thru Agriculture	4. USDA RD Direct Loan Program	9. MBOI-Business Loan Participation	14. Local RLF	5. USDA RD REDL&G Program	10. EDA	15. Other (specify) _____
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2. Equity	7. MBOI-Purchase of Federal Guaranteed Loan	12. SBA 504																							
3. USDA RD B&I Guarantee Loan	8. MBOI-Linked Deposit	13. Growth thru Agriculture																							
4. USDA RD Direct Loan Program	9. MBOI-Business Loan Participation	14. Local RLF																							
5. USDA RD REDL&G Program	10. EDA	15. Other (specify) _____																							

Make sure that
total of sources
on page 1 equal
total uses on
page 2

Appendix F:

Sources & Uses of Funds – Pg2

PART II - USES OF FUNDS		NOTE: TOTAL USES OF FUNDS MUST EQUAL TOTAL SOURCES OF FUNDS!					
SOURCE(S) →	1. Total BSTF	2.	3.	4.	5.	6.	TOTAL PROJECT BUDGET
ADMINISTRATION							
Professional Services							\$
Personnel							\$
Legal							\$
Travel							\$
Supplies							\$
Telephone							\$
Printing/Postage							\$
Other Administration (specify)							\$
TOTAL ADMINISTRATION COSTS	\$	\$	\$	\$	\$	\$	\$
ACTIVITY							
Architecture/Engineering Costs							\$
Construction							\$
Machinery/Equipment							\$
Working Capital							\$
Other (specify)							\$
							\$
TOTAL ACTIVITY COSTS	\$	\$	\$	\$	\$	\$	\$
TOTAL PROJECT COSTS	\$	\$	\$	\$	\$	\$	\$

Verify these amounts
 equal the amounts
 listed on **page 1** of
 the **Appendix A:**
Application Form
 • **Amount of BSTF**
Funds Requested
 and
 • **Total Project Cost**

Sources & Uses of Funds

Example

- BSTF: \$75,000 for the purchase of equipment (R) - Requested
- WTG: \$50,000 for employee training (R) - Requested
- Bank Loan: \$200,000 for building renovation, architectural & engineering costs (A) - Approved
- Owner Equity: \$50,000 for the purchase of equipment (A) - Approved

Sources & Uses of Funds

Example

Source	Amount (Principal)	Commitment Status
BSTF Admin.	\$3,750	R
BSTF Activity	\$71,250	R
Workforce Training Grant (WTG)	\$100,000	R
1 st Bank of Lincoln Loan	\$200,000	A
Owner Equity	\$50,000	A

Sources & Uses of Funds Example - Continued

PART II - USES OF FUNDS		NOTE: TOTAL USES OF FUNDS MUST EQUAL TOTAL SOURCES OF FUNDS!					
SOURCE(S) →	1. Total BSTF	2. Workforce Training	3. 1 st Bank of Lincoln Loan	4. Owner Equity	5.	6.	TOTAL PROJECT BUDGET
ADMINISTRATION							
Professional Services							\$
Personnel	3,000						\$3,000
Legal							\$
Travel	100						\$100
Supplies	100						\$100
Telephone							\$
Printing/Postage	50						\$50
Other Administration : Audit	500						\$500
TOTAL ADMINISTRATION COSTS	\$3,750	\$	\$	\$	\$	\$	\$3,750
ACTIVITY							
Architecture/Engineering Costs			50,000				\$50,000
Construction			150,000				\$150,000
Machinery/Equipment	\$71,250			50,000			\$121,250
Working Capital							\$
Other (specify)							\$
Training		\$50,000					\$50,000
TOTAL ACTIVITY COSTS	\$71,250	\$50,000	\$200,000	\$50,000	\$	\$	\$371,250
TOTAL PROJECT COSTS	\$75,000	\$50,000	\$200,000	\$50,000	\$	\$	\$375,000

Sources & Uses of Funds

Matching Funds Summary

- Provide narrative discussing the other sources of funds involved in the project
- Describe status of other project funds –
 - R- Requested, A – Approved, P - Proposed
- If status is approved – provide a copy of the approval documentation
- Include other Department of Commerce funding sources
 - Examples: WTG, Board of Investments, CDBG-ED

Financial Statements

- For the 3 most recent years of operation:

- ☐ Balance Sheet
- ☐ Profit & Loss Statement
- ☐ Cash Flow Statement



- 2 years of Projections:

- ☐ Projected Balance Sheet
- ☐ Projected Profit and Loss Statement
- ☐ Projected Cash Flow

Project Description

- Start with a basic description of what the company does & where it is located
- Describe what is new with the company that will create jobs
 - Examples – new product line, expansion into a new market, expansion into Montana, etc.
- List each entity involved in the project & their roles

Project Description - continued

Tips:

- Include maps of project site
- Should be understandable by anyone not familiar with the project or the nature of the assisted business

Budget Form – Appendix H

APPENDIX H: BUDGET FORM

MONTANA DEPARTMENT OF COMMERCE BIG SKY ECONOMIC DEVELOPMENT TRUST FUND (BSTF)

DETAIL USE OF BSTF PROPOSED FUNDS ONLY ON THIS FORM, NOT TOTAL PROJECT COST

SECTION I - APPLICANT INFORMATION		
Contract # MT-BSTF- - -	TAX ID#	DATE
NAME AND ADDRESS OF APPLICANT	ELECTRONIC PAYMENT INFORMATION FINANCIAL INSTITUTION: ROUTING NUMBER: ACCOUNT NUMBER:	
SECTION II: FINANCIAL INFORMATION		
Budget Line Item	Proposed Project Budget	Approved Budget
1. Administrative Expenses		
2. Use of BSTF Funds:		
a) Purchase of Land, Building, or Equipment for Assisted Business		
b) Lease Rate Deduction on Property for Assisted Business		
c) Relocation Costs (to or within Montana) of Assisted Business		
d) Employee Training for Assisted Business		
e) Other (please specify)		
3. TOTAL GRANT BUDGET		
REMARKS		

How much are you asking for? Detail this amount only on the Budget Form.

Budget Form continued

Example

- Total Project Cost is \$2 million
- BSTF Request: \$200,000 for equipment costs
- Detail only \$200,000 BSTF request on this form

APPENDIX H: BUDGET FORM

MONTANA DEPARTMENT OF COMMERCE BIG SKY ECONOMIC DEVELOPMENT TRUST FUND (BSTF)

DETAIL USE OF BSTF PROPOSED FUNDS ONLY ON THIS FORM, NOT TOTAL PROJECT COST

SECTION I - APPLICANT INFORMATION		
Contract # MT-BSTF- - -	TAX ID#	DATE November 30, 2010
NAME AND ADDRESS OF APPLICANT Lewis & Clark County 316 N. Park Avenue Helena, MT 59601	ELECTRONIC PAYMENT INFORMATION FINANCIAL INSTITUTION: On file ROUTING NUMBER: ACCOUNT NUMBER:	
SECTION II: FINANCIAL INFORMATION		
Budget Line Item	Proposed Project Budget	Approved Budget
1. Administrative Expenses	\$10,000	
2. Use of BSTF Funds:		
a) Purchase of Land, Building, or Equipment for Assisted Business	\$190,000	
b) Lease Rate Deduction on Property for Assisted Business		
c) Relocation Costs (to or within Montana) of Assisted Business		
d) Employee Training for Assisted Business		
e) Other (please specify)		
3. TOTAL GRANT BUDGET	\$200,000	
REMARKS		
Equipment Purchases		
SECTION III: APPLICANT CERTIFICATION		

Budget Form continued

- Attach a copy of cost breakdown for the use of BSTF funds requested including any quotes or estimates used in calculating the total cost
 - Examples:
 - Excel spreadsheet of equipment costs & narratives describing how costs were determined
 - Copy of buy/sell agreement for building/property
 - Equipment cost quote from manufacturer

Hiring (and Training) Plan

- Attach a copy of the Hiring (and Training, if applicable) Plan prepared at the beginning of the process

Tips Before You Finalize the Application

1. Verify **amount** of BSTF funds requested matches before submitting application
 - ☐ Appendix A: Application Form
 - ☐ Budget Form – Appendix H
 - ☐ Sources & Uses of Funds Form - Appendix F

Tips Before You Finalize the Application (Continued)

2. Verify **use of BSTF Funds** is consistent throughout application

- ☐ Appendix A: Application Form
- ☐ Sub-recipient Agreement
- ☐ Assistance Agreement
- ☐ Sources & Uses
- ☐ Budget Form

Tips Before You Finalize the Application (Continued)

3. Double Check Wage Rate

- ☐ Wage Sheet Link:

<http://www.bstf.mt.gov/content/docs/MapandWageRates/2010WeeklyWageSheet090110.pdf>

- ☐ Assistance Agreement

- ☐ Hiring & Training Plan

Final Tips

- Don't forget to send an electronic copy of the application
 - Word – Assistance & Subrecipient Agreements, Management Plan
 - Via CD, email or through the file transfer service – www.transfer.mt.gov
- Send 2 hard copies – 3 hole punched
- No spiral binding recommended

Questions?

Angela Nelson, Program Manager
Big Sky Economic Development Trust Fund
(406) 841-2792
anelson@mt.gov

More information available on the web at:

www.bstf.mt.gov

Please reference the Category I: Economic Development Job Creation Project application guidelines for further information on the eligible activities and requirements for funding under this program.

Conclusion

This presentation, along with the audio and the quiz corresponding to today's webinar will be posted on the BSTF website.

Successful completion of this quiz will count toward the Department of Commerce, Economic Development Certification.

Thank you for participating!